Contract 700-08-001 Amendment 2 Contract Request Form CEC 94 Attachment 1 Purpose of Amendment

General Purpose

The purpose of Amendment 2 is to extend the Contract term by one year to March 31, 2013 to allow for the efficient and successful completion of the Desert Renewable Energy Conservation Plan (DRECP). The extension will also allow the completion of some contractor assignments started during the original term of the Contract, and will provide back-up contract coverage during the ramp-up of the next Siting, Transmission and Environmental Protection (STEP) Peak Workload Contract, which staff expects to competitively bid and execute by June 30, 2012.

Completing the Desert Renewable Energy Conservation Plan

The Energy Commission is directed by Executive Order S-14-08 (November 17, 2008) to work with state and federal conservation agencies to develop the DRECP to provide region-wide protection of plants, animals and their habitat while supporting the development of renewable energy projects in California's desert areas. The DRECP will be a joint state Natural Communities Conservation Plan (NCCP) and federal Habitat Conservation Plan (HCP) under the Natural Communities Conservation Planning Act (NCCPA) and the Habitat Conservation Planning Act (HCPA). Additionally, as required by the California Environmental Quality Act (CEQA) and the National Environmental Protection Act (NEPA), the Energy Commission is also preparing a joint Environmental Impact Report (EIR) and Environmental Impact Statement (EIS) on the impacts of the DRECP.

Staff has been planning and working on the DRECP effort since November 2008. Staff contracted with the Aspen Team to provide technical support to develop the DRECP. The Aspen team has primary responsibility for preparing the joint NCCP/HCP (the DRECP) and the EIR/EIS for the DRECP. The Aspen Team is also providing other support to the DRECP effort like supporting developing the conservation strategy, GIS mapping, stakeholder engagement and project direction. The Aspen Team has been working on the DRECP project since February 2010. The Aspen Team's work on the major DRECP products began in September 2010. The bulk of the work on the DRECP so far has occurred in 2010 and 2011.

The original deadline in the Executive Order was June 1, 2012 to complete the DRECP and associated joint EIR/EIS. Working in conjunction with the California Department of Fish and Game, US Bureau of Land Management, US Fish and Wildlife Services, the California Natural Resources Agency, the Governor's Office, and the Secretary of the Interior, the original deadline for DRECP was extended to January 2013. All recognized that such a large undertaking of developing a NCCP/HCP and its associated environmental documents for 22 million acres covering six counties and 50 or more endangered species, and working with all the local, state, and federal agencies and stakeholder groups, would take considerable more time than was initially anticipated in the Executive Order.

The official public draft NCCP/HCP and draft EIR/EIS are currently due in May 2012 when the Contract is currently set to expire. As currently scheduled, the DRECP NCCP/HCP will be finalized in January 2013. If the Contract is not extended, a new team might have to take over

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the final drafting process, a significant and critically important phase of the work effort. Having a new team take over at this late stage would be highly cost and time inefficient and would risk impairing the quality of the final products and jeopardize the project schedule. Extending the contract by one year to May 31, 2013 will provide the necessary coverage through the end of the DRECP project schedule and will allow four months of buffer in case unanticipated issues arise that delay the project completion.